

Federal Deposit Insurance Corporation (FDIC)**Check it Out**

Use this tip sheet to help you in the process of selecting, opening, and maintaining a checking account. This tip sheet covers the following topics:



- Determining your checking account needs
- Finding the best account for you
- Knowing what fees to expect
- Balancing your checkbook

Tip #1:**Determine Your Checking Account Needs**

In order to select the checking account that best fits your needs, ask yourself the following important questions:

Consider Convenience:

1. How many checks do you think you will write every month?
2. Do you want a bank that is close to your home or work?
3. What are the bank's hours of operation?
4. Will you use the ATM often?
5. Does the bank have ATMs close to where you live or work?
6. How often do you plan to visit the bank to use teller services?
7. What other bank services are important to you?

Consider Costs:

1. How much money will you keep in your account?
2. Will you be charged for writing extra checks?
3. Are you willing to pay a monthly fee?
4. If so, how much?
5. Will you be charged to use your bank's ATM?
6. Will you be charged for using other banks' ATMs?
7. Will you be charged for using teller services?
8. Are there ways to avoid paying fees?

Tip #2:**Find the Best Account for You**

Based on your responses to the questions in Tip #1, use the following checklist to help you to select the checking account that is best for you:

	Bank A	Bank B	Bank C
<u>Bank Name:</u>			
<u>Low-Cost Checking:</u>			
1. Monthly fee?			
2. Number of free checks per month?			
<u>ATM-Checking:</u>			
1. Paycheck direct deposit?			
2. Monthly fee?			
3. Unlimited check writing?			
4. Fee for teller services?			
<u>Regular checking:</u>			
1. Minimum balance or monthly fee?			
2. Unlimited check writing?			
<u>Interest checking account:</u>			
1. Minimum balance or monthly fee?			
2. Amount of interest?			
3. Transaction restrictions?			
<u>Additional Considerations:</u>			
1. What, if any, fees will be charged? (Refer to checking account fees)			
2. Is it close to your home or work?			
3. Does that bank offer other services that are important to you?			

Tip #3:

Know What Fees to Expect

There are many fees associated with checking accounts. Knowing what fees are typical and reasonable will help you to find the checking account that best fits your needs.

Monthly maintenance fee (also called a service fee)

A fee charged each month just for having the account. You might also be charged a fee if your balance drops below the required minimum.

ATM use fee

A fee charged each time an ATM is used at another bank. Sometimes, the other bank will also charge you a fee for using its ATM. Generally, banks will provide their customers with a certain number, or unlimited, ATM withdrawals from the bank's own ATMs.

Overdraft fee

A fee charged for checks that have been written without enough money in the account to cover them.

Non-sufficient funds fee

A fee charged when there is not enough money in the account to cover a check that has been written. Sometimes this is called an insufficient funds fee.

Stop payment fee

A fee charged when you request that payment on a particular check be stopped.

Phone inquiry fee

A fee charged if you call to check your balance or see if a check or deposit has cleared.

Balance checkbook fee

A fee charged when a bank helps you to balance your checkbook.

Tip #4:

Balance Your Checkbook

Your check register is a tool that will help you to know how much money you have in your account at all times. Each time you put money into your account, write a check, or take money out, you should record key pieces of information in your check register.

Follow these steps to balance your checkbook:

1. Record the Check Number

If you are writing a check, record the check number (usually the first column on your check register).

2. Record the Date

Record the date you wrote a check, made a deposit, took money out (made a withdrawal) or were charged a service fee.

3. Describe the Transaction that Took Place

Record items, such as who you wrote the check to, reason for the deposit, or the location of the withdrawal (such as ATM or debit card), in the large blank space.

4. Record the Payment/Debit

Record the dollar amount of checks written, ATM withdrawals, or debit card transactions.

5. Describe Fees

Record any fees charged, such as a monthly maintenance fee or an ATM fee.

6. Note Deposit/Credit (+) Made to Your Account

Record any deposits or credits made to your account.

7. Calculate the Balance

Add any deposits or credits and subtract any fees, payments, or other debits to your account to determine how much money is available in your checking account.